



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN
NEPRA TOWER Ataturk Avenue (East),
Sector G-5/1, Islamabad.
Ph: 051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

TCD 03/ 1183 -2024
February 29, 2024

Chief Executive Officer
Gujranwala Electric Power Company Limited (GEPCO)
565/A, Model Town GT Road Gujranwala.

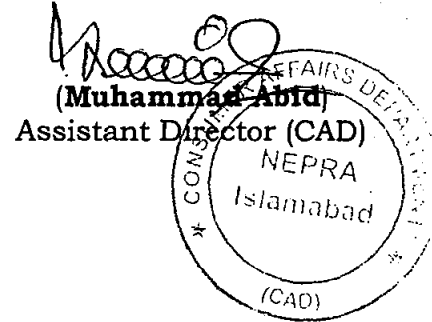
Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD
ASHRAF S/O LAL KHAN UNDER SECTION 39 OF THE REGULATION OF
GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC
POWER ACT, 1997 AGAINST GEPCO REGARDING ISSUANCE OF
ADDITIONAL DEMAND NOTICE**
Complaint # **GEPCO-NHQ-24968-05-23**

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated February 29, 2024 regarding the subject matter for necessary action.

Encl: As above

Copy:-

1. C.E/ Customer Services Director,
Gujranwala Electric Power Company (GEPCO),
565/A, Model Town GT Road, Gujranwala.
2. Assistant Director,
NEPRA Regional Office, Office # 87-B, Block-M,
Trust Plaza, Gujranwala.
Ph: 055-3822766
3. Mr. Muhammad Ashraf S/o Lal Khan,
Village Khonan Gharbi, Kunjah, Gujrat.
0343-1546660



**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No. GEPCO-NHQ-24968-05-23

Mr. Muhammad Ashraf
Village Khonan Gharbi, Kunjah District Gujrat.

..... **Complainant**

VERSUS

Gujranwala Electric Power Company (GEPCO)
565/A, Model Town, G.T. Road, Gujranwala.

..... **Respondent**

Date of Hearing: July 13, 2023
October 11, 2023

**On behalf of
Complainant:** Mr. Muhammad Ashraf

Respondent: 1) Syed Sahibzada Shah XEN (Operations), GEPCO
2) Mr. Imran Liaqat XEN (Operations), GEPCO
3) Mr. Abdullah Revenue Officer, GEPCO

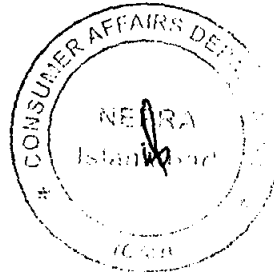
SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ASHRAF UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST GEPCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE

DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Ashraf (hereinafter referred to as "the Complainant") against Gujranwala Electric Power Company (hereinafter referred to as the "Respondent" or "GEPCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. NEPRA received a complaint from Mr. Muhammad Ashraf dated Nil wherein the issue agitated by the Complainant was that he applied to GEPCO for provision of new industrial connection whereby GEPCO issued a demand notice which was paid by the Complainant and the connection was installed during the year 2022. The Complainant further submitted that GEPCO has later issued another demand notice for payment amounting to Rs. 115,363/- and the same was also paid by the Complainant. However, being aggrieved with revised/second demand notice, the Complainant requested to direct GEPCO to refund the amount paid with regards to the second demand notice in accordance with the relevant provisions of law, rules and regulations.

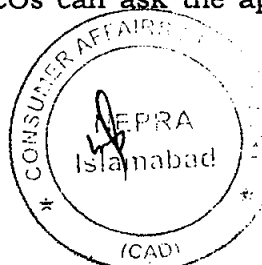
3. The subject matter was taken up with GEPCO. In response, GEPCO vide letter dated June 14, 2023 submitted that the demand notice amounting to Rs. 233,733/- was issued to the Complainant on May 25, 2021 as per the approved rate list, however, the revised demand notice was also issued to the Complainant due to revision of material rates before the issuance of transformer as per SOPs.



4. In order to proceed further, a hearing was held at NEPRA Head Office, Islamabad on July 13, 2023 wherein both the parties advanced their respective arguments. In order to arrive at an informed decision, GEPCO was directed to provide further information i.e. store balance, month-wise price bulletin from June, 2021 to October, 2022, BOQ of revised demand notice etc. In compliance, GEPCO submitted a report dated September 26, 2023 which reflected the requisite information. During the course of another hearing held at NEPRA Head Office, Islamabad on October 11, 2023, the Complainant submitted that the second demand notice was only paid under protest to avoid disconnection.

5. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable law. Following has been observed:

- (i) The Complainant approached GEPCO for a new industrial connection at his premises located at Khonan Gharbi, Kunjah, District Gujrat for tentative load of (18) kW. In response, GEPCO approved the application and accordingly issued a demand notice amounting to Rs. 233,733/- dated May 25, 2021 which was paid by the Complainant on June 24, 2021 within given time period. The connection of the Complainant was energized by GEPCO on March 07, 2022. Later on, another/second demand notice amounting to Rs. 115,363/- dated October 13, 2022 was issued to the Complainant which was also paid by the Complainant
- (ii) Perusal of the documentary evidence submitted by GEPCO reveals that the Complainant was charged difference of capital cost of a 25 kVA transformer due to its non-availability in GEPCO stores. The evidence further reflects that the rates of material were revised during the month of November, 2021 which essentially led to subsequent issuance of revised/additional demand notice.
- (iii) According to time frame for new connection given in NEPRA Performance Standards (Distribution) Rules, 2005 read with Consumer Service Manual (CSM), DISCOs are required to provide electricity connection within time period of (34) days from the date of payment of demand notice in case of ultimate load between 15-70 kW. In the instant matter, the demand notice was paid in full on June 24, 2021 and the connection should have been installed by July 28, 2021.
- (iv) According to the clause 2.4.6 of the CSM, once demand notice issued by DISCO i.e. GEPCO and paid by the applicant in full, no further charges/demand notice can be raised against the applicant on account of escalation of rates of material. The said clause further provides that if escalation in cost of material takes place within the time period required for installation of connection/ electrification, as the case may be then in such a case additional cost due to escalation, shall be paid by the applicant. No escalation charges shall be applicable if enhancement in rates of material take place after the lapse of time period given for installation of connection. In the instant matter first demand notice amounting to Rs. 233,733/- was issued to the Complainant which was paid in full on June 24, 2021. According to the time frame for load between 15-70 kW, GEPCO should have energized the connection within thirty four (34) days of payment of demand notice (till July 28, 2021). However, GEPCO energized the connection on February 28, 2022 after lapse of seven months of permissible time frame and issued a revised demand notice on the basis of material rates as applicable during the month of November, 2021 which is also beyond the time frame required for energization of connection i.e. July 28, 2021. In view of the said, penalizing the Complainant through additional/revised demand notice on account of negligence of concerned GEPCO officials is unwarranted and required to be rescinded retrospectively.
- (v) According to clause 2.7.1 of the CSM, in the cases where there is shortage/non availability of material, DISCOs can ask the applicant to procure required



material as per the specifications of the DISCOs. In the instant case, if there was any shortage/non availability of material, GEPCO should have informed the Complainant for procurement of the same at its own, however, GEPCO did not inform the Complainant for procurement of unavailable material and installed the connection after lapse of seven (7) months of given time frame. Moreover, in case of force majeure events, the DISCOs shall have to give reasons for each day delay in writing to prospective consumer with copy to the Authority which has also not been followed by GEPCO.

6. Foregoing in view, GEPCO is hereby directed to promptly withdraw the second demand notice dated October 13, 2022 and in the event that any increase in material cost occurred upto July 28, 2021 (the time period under which GEPCO was obligated to energize the connection), GEPCO may issue a revised demand notice to the Complainant, reflecting any legitimate adjustments in a transparent and justified manner. Moreover, remaining amount (if any) shall be refunded back/adjusted in future bills of the Complainant. Compliance report be submitted within thirty (30) days.

6- مندرجہ بالا حقائق کے پیش نظر، گیسکو کو ہدایت کی جاتی ہے کہ وہ 13 اکتوبر 2022 کا دوسرا ڈیمانڈ نوٹس فوری طور پر واپس لے اور 28 جولائی 2021 تک سامان کی لاگت میں کوئی اضافہ ہونے کی صورت میں (وہ مدت جس کے تحت گیسکو کنکشن کو فعال کرنے کا پابند تھا)، شکایت کنندہ کو اضافی ڈیمانڈ نوٹس جاری کر سکتا ہے، جو شفاف ہو اور کسی بھی جائز ایڈجسٹمنٹ کی عکاسی کرتا ہو۔ مزید برآں، بقیہ رقم (اگر کوئی ہے) وہ شکایت کنندہ کے مستقبل کے بلوں میں ایڈجسٹ کی جائے۔ تعمیل کی رپورٹ تیس (30) دنوں کے اندر پیش کی جائے۔

(Lashkar Khan Qambrani)

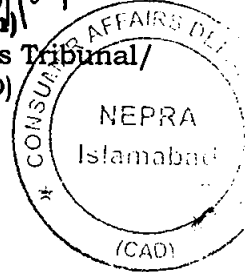
Member, Consumer Complaints Tribunal/
Director (CAD)

(Moqem-ul-Hassan)

Member, Consumer Complaints Tribunal/
Assistant Legal Advisor (CAD)

(Naweed Illahi Shaikh)

Convener, Consumer Complaints Tribunal/
Director General (CAD)



Islamabad, February 29, 2024